



UNITED STATES MARINE CORPS

MARINE CORPS LOGISTICS BASE

ALBANY, GEORGIA 31704-5000

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BASE ORDER 4400.62

From: Commanding General
To: Distribution List

Subj: Policy for Administration of New Equipment Warranties Entering Into the Marine Corps

Ref: (a) MCO 4105.2
(b) MCO P4400.79E
(c) MCO 4855.10A

1. Purpose. To publish Marine Corps Logistics Base Policy and Procedures concerning the actions required to provide the best logistics support, administer equipment warranties, and ensure warranty agreements between the Marine Corps and contractors as appropriate for new equipment adopted for Marine Corps use.

2. Background

a. Budget constraints have placed increasing emphasis on reducing costs within the Department of Defense (DoD). One area of concern is increasing the performance reliability of weapon systems and components, which will in turn reduce support costs. In order to do this, a shift in policy has evolved which mandates the use of weapon systems guaranties. DoD has issued guidance which requires written guaranties be obtained with the procurement of weapon systems/equipment, when it is determined to be cost effective.

b. Headquarters Marine Corps developed policy to implement this requirement. This policy is published in reference (a) and requires the procurement of a guaranty with weapon systems when it is in the best interest of the Marine Corps. To ensure that weapon systems/equipment that are designated as combat essential conforms to Marine Corps specified performance requirements, warranty clauses are included in the production controls which require the contractor to bear the cost, including labor and materials, of repairing, replacing parts, and in some instances redesigning system to meet the specified performance requirements. There is a need to establish standard procedures for the application for warranties in order to reduce their burden on the user. When a weapon system and components are supported by a contractor warranty, the warranty procedures will be tailored to the designated equipment and included in the Advance Logistics Order (ALO).

(4) Process QDR's and forward to Deputy Commander (Code 808) per reference (c).

f. Quality Assurance Office (Code B160)

(1) The primary duties would include, but would not be limited to:

(a) Coordinating base communications and policies concerning the administration of new equipment warranties with the ILS Directorate warranty administrator.

(b) Maintenance of warranty claim history data and provide the appropriate warranty administrator with base warranty program status as required.

(2) Act as base point of contact regarding new equipment warranty matters.

5. Concurrence. This Order has been coordinated and concurred in by both MCLB's, Albany and Barstow.



C. N. PASTINO
Deputy Commander

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(combat essential, critical low density, mission support), and the types and locations of units designated to receive the equipment.

4. Action

a. ILS Directorate (Codes 830/840)

(1) Act as the Marine Corps Warranty Administrator between the Marine Corps and contractor or administrative contractor officer/principal contracting officer when a weapon system and/or components are to be supported by commercial or negotiated type warranties.

(2) When the equipment is to be supported by warranty or contractor support, prepare and submit procedures to Marine Corps Research Development and Acquisition Command (MCRDAC) Program Manager for that equipment for inclusion in the ALO for staffing and promulgation. Certain procedures must be followed by the user of equipment under warranty contracts to ensure the warranty claim system agreed upon between the Marine Corps and the contractor will function as intended. The warranty procedures will describe the specific features of the warranty provisions of the equipment under warranty, provide instruction defining the process of securing warranty services and/or parts covered under the warranty, and will illustrate the proper method of processing warranty claims for service and/or parts. The following warranty information will be considered when developing procedures:

(a) Active U.S. Marine Corps units will process warranty claims through appropriate support/maintenance channels to the local warranty coordinator (normally at the Force Service Support Group).

(b) Reserve units possessing organizational maintenance capability which are geographically separated from intermediate maintenance activities are authorized to make warranty determination and coordination through the appropriate ILS Directorate warranty administrator. Reserve units not possessing organizational maintenance capability will obtain warranty service through a supporting organizational maintenance activity.

(c) Maximum cooperation between contractors and the ILS Directorate warranty administrator is necessary. The warranty coordinator at the Fleet Marine Force (FMF) or reserve level should not participate in warranty disputes. All disputes will be transmitted from the warranty coordinator using SF-368 to the ILS Directorate warranty administrator for evaluation and review as detailed in reference (a). Disputes requiring resolution will then be forwarded to the contracting officer for appropriate action.

(d) Based on the terms of the warranty and contract, in the event of a warranty failure, the warranty coordinator(s) may be required to deliver the equipment to an authorized dealership or warranty service shop. The Marine Corps is responsible for any evacuation and return expense as described in the equipment warranty.

(k) When the warranty is for contractor repair, upon receiving instructions from the contractor, the warranty administrator will instruct the warranty coordinator(s) where and how to ship defective warrantied equipment. Warranty interrupt as a result of contractor repair will be recorded by the warranty administrator in the warranty file. If applicable, upon return of equipment from contractor repair, the file should be updated to initiate warranty extension information.

(l) When warranty will be for reimbursement for MC repair (man hours and parts), the warranty administrator will obtain a work authorization number from the contractor and forward the information to the warranty coordinator(s). Upon completion of repair, the warranty coordinator will forward the completed warranty claim form as prescribed by the warranty agreement to the warranty administrator. The warranty administrator will forward the claim to the contractor for reimbursement. If applicable, the warranty administrator will record the granted warranty extension information in the warranty file.

(m) The warranty procedures/transition plan will outline usage data reporting procedures for the user. NAVMC 10925 Equipment Repair Order Shipping Transaction List (EROSL) will be used as the source document to report repair parts utilized to repair equipment. Normal Marine Corps Integrated Maintenance Management System/Supported Activities Supply System (MIMMS/SASSY) reporting procedures will be used when repairs are effected by a Marine Corps maintenance facility. Service performed by a warranty dealership will be reported by MIMMS/SASSY procedures per reference (a) utilizing a "WP" advice code. ILS Directorate Inventory Managers shall monitor MIMMS data history files in order to make necessary adjustment to initial issue provisioning requirements and/or supply support request to other Integrated Inventory Managers. Marine Corps Quality Deficiency Information System (MCQDIS) is an automated program for tracking the status of QDR's in process and maintaining a history of completed QDR's. MCQDIS is a useful management tool as an indicator that a particular National Stock Number should be reviewed. However, MCQDIS should only be used as a supplement to capture MIMMS/SASSY data. Adjustments to stockage posture based solely on MCQDIS data could result in excess or obsolete items being stocked in the supply system.

(n) The warranty procedures and the contract shall require the contractor to provide history/usage data on all parts that have failed and are repaired/replaced by the contractor. This data will be used to verify/update stockage requirements for transition to Marine Corps supply system support.

b. Materiel Divisions (Codes 870/B800)

(1) Assign a warranty coordinator to coordinate warranty repairs of stores assets per this Order and as established by applicable warranty.